

# El Salvador, Guatemala - Investment Climate & Public-Private Partnerships

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# Overview

## Identification

### COUNTRIES

El Salvador, Guatemala

### EVALUATION TITLE

Investment Climate & Public-Private Partnerships

### TRANSLATED TITLE

La Evaluación del Proyecto Clima de Inversiones en El Salvador y la Evaluación del Proyecto de las Alianzas Público Privadas (APP) en Guatemala

### EVALUATION TYPE

Independent Performance Evaluation

#### ID NUMBER

DDI-MCC-GTMSVA-IE-FIT-2019-v01

## Overview

### ABSTRACT

This is a performance evaluation focusing on the implementation, results and sustainability of the interventions in El Salvador and Guatemala. We will use a mixed-methods case study of the RIA and mixed-methods performance evaluations of the ESIC Sub-Activity and PPP activities. The RIA case study includes an implementation analysis featuring a political economy approach, an outcome analysis of trends, and a sustainability analysis.

The ESIC and PPP evaluations each include an implementation analysis and an outcome analysis of trends, but do not include explicit sustainability analyses. In addition to these three evaluations, we plan to assess and update key assumptions of any ex ante ERRs related to these activities.

### EVALUATION METHODOLOGY

Other (Performance Evaluation)

### UNITS OF ANALYSIS

Administrative units, enterprise, other

### KIND OF DATA

Administrative records data [adm]

### TOPICS

Topic	Vocabulary	URI
Finance, Investment, Trade	MCC Sector	
Capacity Building and Institutional Development	MCC Sector	
Education	MCC Sector	

### KEYWORDS

ESIC, PPP, OMR, RIA, API, ESICP, El Salvador, Guatemala, public-private partnership, PPP, regulation, regulatory burden, regulatory reform, investment climate, investment, reform, administrative burden, FOMILENIO, PROESA, ANADIE, public goods, private investment, transparency, ERR, ex-post ERR, GoES, GoG, catalytic fund

## Coverage

### GEOGRAPHIC COVERAGE

The RIA, ESIC, and El Salvador PPP activities are being implemented nationally in El Salvador.

The Guatemala PPP sub-activity is being implemented nationally in Guatemala.

## UNIVERSE

The study population includes program implementers (FOMILENIO II staff, OMR Staff, PROESA staff), firms having applied to ESIC, firms benefiting from regulatory improvement, and participants of the PPP training program.

## Producers and Sponsors

### PRIMARY INVESTIGATOR(S)

Name	Affiliation
Mathematica Policy Research	

### FUNDING

Name	Abbreviation	Role
Millennium Challenge Corporation	MCC	

## Metadata Production

### METADATA PRODUCED BY

Name	Abbreviation	Affiliation	Role
Mathematica Policy Research	Mathematica		Independent Evaluator

### DATE OF METADATA PRODUCTION

2019-02-13

### DDI DOCUMENT VERSION

Version 01

### DDI DOCUMENT ID

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## MCC Compact and Program

### COMPACT OR THRESHOLD

El Salvador Compact II, Guatemala Threshold

### PROGRAM

The El Salvador Investment Climate Project (ESICP) works to boost the productivity of the tradeable sector by improving the regulatory and business environment and enabling the Government of El Salvador to more effectively partner with the private sector to provide key public services. ESICP comprises two activities, the Regulatory Improvement Activity (RIA) and the Partnership Development Activity (PDA); in turn, PDA consists of two sub-activities, the El Salvador Investment Challenge (ESIC) and the Public-Private Partnership (PPP) Sub-Activity. RIA is designed to establish the organizational and institutional architecture for a continual process of regulatory and administrative improvement within the Government of El Salvador. The ESIC Sub-Activity helps the government identify important private investment potential and efficiently allocate limited government resources to public goods and services needed to support this private investment. The PPP Sub-Activities in El Salvador and Guatemala aim to increase governmental capacity to implement and manage PPPs, promote transparency, and bring PPP projects to market with the activity's technical assistance, narrowing the infrastructure financing gap and preserving public funding for other necessary social services.

### MCC SECTOR

Finance, Investment, and Trade (FIT)

### PROGRAM LOGIC

RIA establishes the institutional structure and builds government capacity to reduce regulatory burden to businesses in the tradeable sector. By eliminating obsolete or contradictory laws and regulations, promoting more transparent regulations, and reducing the administrative costs of compliance for firms, the activity aims to reduce the overall cost of doing business by 20 percent, thereby increasing private investment in tradeables. The ESIC Sub-Activity invests in public goods that

private investment needs make their investments viable. The investment facility establishes a competitive process by which the most promising business ideas are selected to receive grants for public goods, including but not limited to new infrastructure and capacity development. The larger goals of the sub-activity are to increase private investment, improve the Government of El Salvador's project selection and development capacity, and boost the country's competitiveness in the tradeable sector. The PPP Sub-Activity in El Salvador is designed to help the government attract private capital to fund and manage critical public goods and services through PPPs, particularly in the transportation sector. MCC's investments are largely focused on building the capacity of public institutions to vet, structure, and manage PPPs. Combined with targeted MCC investments in technical studies, this increased government capacity should result in a strong pipeline of PPPs, increased private investment, and a more efficient use of government resources. The Guatemala PPP Activity will support efforts by the government of Guatemala to build capacity to effectively implement and manage PPPs, promote transparency, and bring several PPP projects to market via the activity's technical assistance. By improving this PPP capacity, the activity aims to narrow the infrastructure financing gap in Guatemala and preserve public funding for other necessary social services. The PPP Activity in Guatemala complements the Education Project, which, among other activities, focuses on improving the way the Ministry of Education makes requests for and manages its budget. Through improved budget proposals from the Ministry of Education and less budgetary demands from the Ministry of Public Works as a result of using PPPs, the Ministry of Finance could increase investment in the education sector.

#### **PROGRAM PARTICIPANTS**

Program participants include firms in the tradeable sector participating in ESIC, participants of the PPP training program, Ministries in El Salvador and Guatemala benefiting from PPP resources and regulatory improvements.

# Sampling

## Study Population

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The study population includes program implementers (FOMILENIO II staff, OMR Staff, PROESA staff), firms having applied to ESIC, firms benefiting from regulatory improvement, and participants of the PPP training program.

## Questionnaires

No content available

## Data Collection

### Data Collection Dates

Start	End	Cycle
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### Data Collectors

Name	Abbreviation	Affiliation

# Data Processing

No content available



## Data Appraisal

No content available